



February 20, 2007

## HOUSE BILL No. 1347

DIGEST OF HB 1347 (Updated February 19, 2007 1:15 pm - DI 14)

**Citations Affected:** IC 7.1-3; noncode.

**Synopsis:** Alcoholic beverage licensee liability insurance. Requires a person who holds a retailers license or permit to sell alcoholic beverages for consumption on the premises to procure and maintain a policy of liability insurance after December 31, 2007, to cover the person's liability for damages that arise out of the person's sale of alcoholic beverages. Provides a procedure for a person who holds a license or permit to obtain a certificate of self-insurance from the department of insurance. Requires the commissioner of the department of insurance to adopt rules to establish minimum amounts of insurance and self-insurance coverage.

**Effective:** Upon passage.

**Welch, Bell, Koch**

January 16, 2007, read first time and referred to Committee on Public Policy.  
February 19, 2007, amended, reported — Do Pass.

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HB 1347—LS 7436/DI 69+



February 20, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1347

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 7.1-3-27 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]:

4 **Chapter 27. Liability Insurance**

5 **Sec. 1. After December 31, 2007, a person who:**

- 6 (1) holds a retailer license or permit; and  
7 (2) sells alcoholic beverages for consumption on the licensed  
8 or permitted premises;

9 shall procure and maintain a policy of liability insurance to cover  
10 the person's liability for damages that arise out of the person's sale  
11 of alcoholic beverages for consumption on the licensed premises.

12 **Sec. 2. Notwithstanding section 1 of this chapter, the department**  
13 **of insurance may, upon the application of a person described in**  
14 **section 1 of this chapter, issue a certificate of self-insurance if the**  
15 **department of insurance is satisfied that the person making the**  
16 **application is possessed and will continue to be possessed of the**  
17 **ability to pay a judgment obtained against the person for damages**

HB 1347—LS 7436/DI 69+



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1 that arise out of the person's sale of alcoholic beverages for  
2 consumption on the licensed premises.

3 Sec. 3. The minimum amounts of insurance and self-insurance  
4 coverage required under this chapter shall be established in rules  
5 adopted by the commissioner of the department of insurance.

6 Sec. 4. A person who violates this chapter is subject to the  
7 penalties described in IC 7.1-3-23.

8 Sec. 5. The commissioner of the department of insurance shall  
9 adopt rules under IC 4-22-2 to implement this chapter.

10 SECTION 2. [EFFECTIVE UPON PASSAGE] (a) The  
11 commissioner of the department of insurance shall adopt rules  
12 under IC 4-22-2 to implement IC 7.1-3-27, as added by this act,  
13 before January 1, 2008.

14 (b) This SECTION expires January 2, 2008.

15 SECTION 3. An emergency is declared for this act.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1347, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 6, after "a" insert "**retailer**".

Page 1, line 6, after "permit" insert ";".

Page 1, line 6, delete "issued under this title;"

Page 1, line 7, delete "or delivers".

Page 1, line 7 delete ":".

Page 1, run in lines 7 through 8.

Page 1, line 8, delete "(A)".

Page 1, line 8, delete "or".

Page 1, delete line 9.

Page 1, line 12, delete "or delivery".

Page 1, line 12, delete "." and insert "**for consumption on the licensed premises.**".

Page 2, line 2, delete "or delivery".

Page 2, line 3, delete "." and insert "**for consumption on the licensed premises.**".

and when so amended that said bill do pass.

(Reference is to HB 1347 as introduced.)

VAN HAAFTEN, Chair

Committee Vote: yeas 7, nays 0.

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